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REPORT OF THE DIRECTORS

OF THE

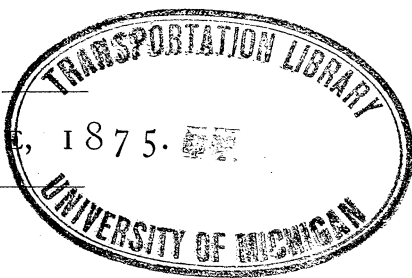
Michigan Central Railroad Company

TO THE STOCKHOLDERS:

TOGETHER WITH THE

REPORTS OF THE TREASURER, SUPERINTENDENT, AUDITOR,
AND TRUSTEES OF SINKING FUNDS.

JUNE, 1875.

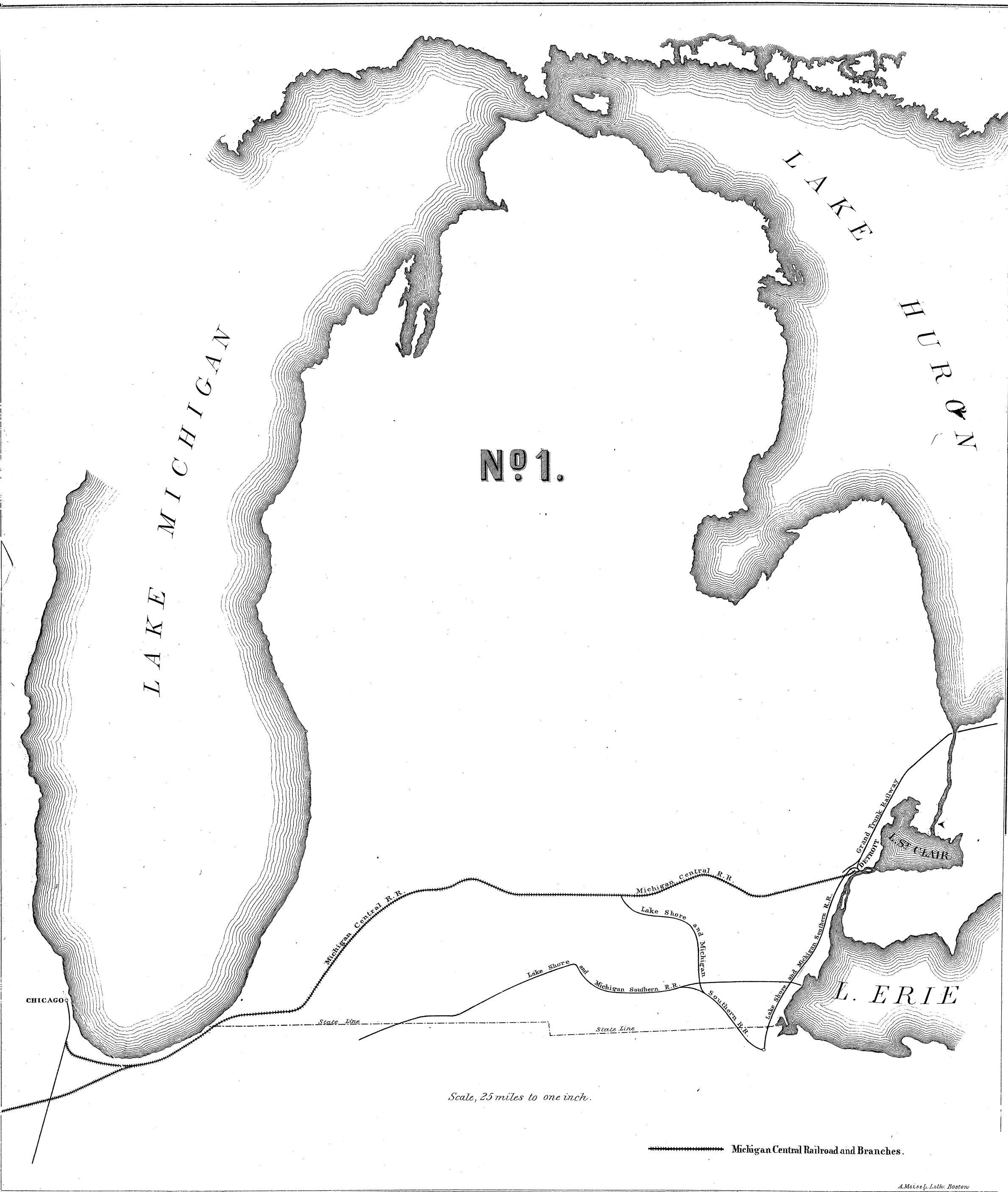


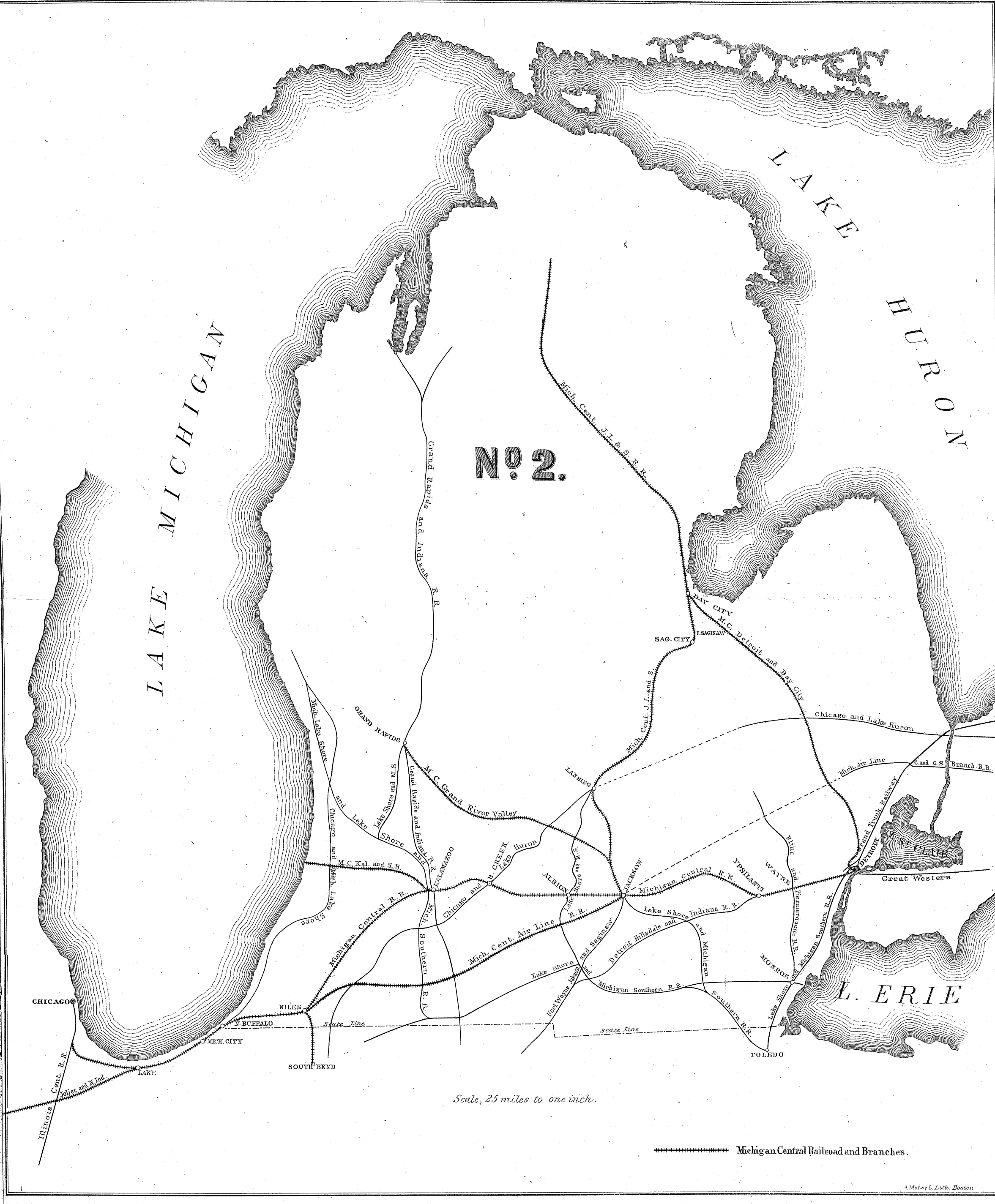
BOSTON:

WRIGHT & POTTER, STATE PRINTERS,

79 MILK STREET (CORNER OF FEDERAL).

1875.





No. 2.

Scale, 25 miles to one inch.

Michigan Central Railroad and Branches.

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OFFICERS.

Directors:

JAMES F. JOY, Detroit.	GEORGE F. TALMAN, New York.
JOHN W. BROOKS, . . Boston.	MOSES TAYLOR, . . New York.
NATHANIEL THAYER, . Boston.	SIDNEY BARTLETT, . Boston.
H. H. HUNNEWELL, . . Boston.	JOHN JACOB ASTOR, New York.
SAMUEL SLOAN, New York.	

President:

JAMES F. JOY.

Vice-President:

GEORGE F. TALMAN.

Treasurer:

ISAAC LIVERMORE.

Vice-Treasurer and Clerk:

JOSHUA CRANE.

General Superintendent:

WILLIAM B. STRONG.

Auditor:

WILLIAM BOOTT.

ANNUAL REPORT.

MICHIGAN CENTRAL RAILROAD OFFICE, }
DETROIT, June, 1875.

The Directors of the Michigan Central Railroad Company respectfully submit to the stockholders, the following report of the earnings and expenditures of the Company, and its business during the year ending with May 31, 1875.

The earnings of the whole property of the Company, during the year, have been—

From passengers,	.	.	.	.	.	\$2,318,998	66
freight,	.	.	.	.	.	4,447,838	69
miscellaneous,	.	.	.	.	.	335,449	06
							<hr/>
Total,	.	.	.	.	.	\$7,102,286	41

The operating expenses, including taxes, have
been 5,068,097 76

Leaving for net earnings, \$2,034,188 65

The gross earnings of the same property, the
year before, were \$7,634,081 70

Showing a decrease in the gross earnings of
the last, over the prior year, 531,795 29

The operating expenses for the last year were \$5,523,642 39

While those of the year just closed, were, as
stated above, 5,068,097 76

Being a reduction in this item, during the
year, of \$455,544 63

The result of the year's business is, that while	
the gross earnings have fallen off . . .	\$531,795 29
The expenses have been also reduced by . . .	455,544 63
<hr/>	
And the loss in net earnings has been only . . .	\$76,250 66
The gross earnings of the main line, separately, during the year ending May 31, 1874, were	
	\$6,312,788 23
During the past year they have been	5,903,179 86
<hr/>	
Having fallen off	\$409,608 37
The expenses of the main line were, for the year ending May 31, 1874,	
	\$4,479,786 06
During the past year they were	4,140,769 18
Being a reduction of expenses in main line business of	<hr/>
	\$339,016 88
The net earnings of the main line, for the year ending May 31, 1874, were	
	\$1,833,002 07
During the past year they were	1,762,410 68
<hr/>	
Having fallen off,	\$70,591 39
Of the total decrease in the net earnings from the <i>whole business</i> of the Company, as above stated, at	
	\$76,250 66
That upon the <i>main line</i> has been therefore	70,591 39
<hr/>	
And upon the leased lines,	\$5,659 27

By the main line, in the above statements, it is intended to include the Air Line also, which is simply a double track, and used as such.

The whole result of the year's business, as the Board are again compelled to state, will carry with it but little encouragement to stockholders, and it will add but little to it, when it is stated that the operating expenses of the past year have been, as they are stated in the accounts, increased by charging to them from suspended accounts, many claims outstanding for

a long time, but now finally adjusted, of the gross sum of \$218,765 which properly should have been charged against the revenues of prior years, instead of against those of this past year. Though the net earnings of this year, therefore, might with propriety be stated at that amount greater, above all the proper operating expenses of the year just closed, still the business of the Company during the year, even so understood, will be far from satisfactory to stockholders. The causes will appear in the subsequent statements of this Report.

The volume of business has not been equal to expectations. The abundance of the harvests in Europe the last year was such that there has been but comparatively little demand for the grain of this country abroad, and especially for wheat and flour. Those productions of the last year have therefore only moved from the West to the seaboard, or mainly to supply the demands of the home market. They are very largely, even now, in the granaries and warehouses of the West. They are now moving out, slowly, at rates wholly unremunerative, and such as have never been known before in the history of transportation in this country.

And yet there has been an actual considerable increase in the quantity of business by the Michigan Central road during the past year. Those who read the last report will remember that the increase of tonnage moved over the road during the year covered by that report, over that of any prior year, was the very large amount of 177,162 tons. The gross tonnage moved that year was 1,593,954 tons. During the past year, the gross tonnage moved was 1,641,280, being an increase of 47,326 tons over that of the prior year, when the increase was extraordinary. The increase also has been on both through and local tonnage. That stockholders may appreciate the regular increase in the amount of the business of the main line of the road, the tonnage moved in each of the last five years is given. It is as follows:—

In 1870, . . . 823,770 tons.	In 1873, . . . 1,416,792 tons.
1871, . . . 1,105,875 “	1874, . . . 1,593,954 “
1872, . . . 1,238,313 “	1875, . . . 1,641,280 “

This shows the steady progress of the business of the road, so far as volume is concerned, even since the panic of 1873, .

as well as before. When it is considered that from 1858 to and including 1868 there had not been a locomotive added to the power of the road, and but few cars, and but little to the capacity of the track itself, and that even up to 1870 no substantial improvements were made in these various departments, while the country along the line and West had been rapidly developing its wealth and resources and business, and the business of the road had increased more than threefold, until, in 1870, it was wholly unable to meet the demands upon it in any of its capacities of power, cars or track, and that the actual tonnage now moved is again doubled since 1870, all can at least appreciate the necessity of all that has been done, to enable the main line to transact the business which it might be able to obtain. A steel track had become imperative, instead of iron, which could not be maintained with such a volume of traffic. A double track to a very large extent, greatly enlarged power and equipment, enlarged station grounds at all important points, and especially at the termini, as well as entirely new repair shops, both for cars and locomotives, were required. This altogether was nearly equivalent to reconstruction of the road entire. Its main track, with the exception of about fifty miles, is all steel, as well as its double track, except the Air Line, of which about thirteen miles are steel; and with sidings, yards and its termini,—except at Chicago, where it is still somewhat straitened for room,—all adequate to meet even any sudden increase of business which might arise from a season of abundant harvests in this country and short crops in Europe.

The regular increase in the volume of business in the past, year by year, will enable stockholders to judge how soon, by natural development only, the present large tonnage moved will be doubled, and consequently the utmost capabilities of the road even called into use. Of the absolute necessity of all the improvements to enable the main line to meet all the demands of business, and put it upon a footing to compete successfully with all rival lines, the Board have not had, and do not now have, a question or doubt. The rapid depreciation in rates was not fully foreseen, and therefore the revenue anticipated from the increased volume of business has not been thus far realized. The rates of this year have been also

depressed by extraordinary circumstances, generally known. This progressive reduction of rates, however, could it have been fully and perfectly foreseen, would have only made more clearly evident, from the beginning, the absolute necessity of all the improvements made in the permanent property of the Company, to enable it to do with economy the very greatly already increased traffic, and the future still larger business, from which, at low rates alone, it can count upon earning dividends for its stockholders. To have remained stationary, without the capacity to do the enlarged business pressing upon it in 1870, and which then clogged it, realizing from it the rates only of 1874-5, would have been the direct way to the total, or nearly the total loss of all net revenues from its business. It would have been to reduce the road to a purely local one, with no ability to compete for through freight or passengers. While other lines were meeting the emergencies of business, and enlarging all their conveniences and appointments to enable them to do it, there was no alternative for this Company, except to adopt and act upon the determination to put the road into such a state in all its parts, as to enable it to successfully compete for all business with the best of its competitors. The results of the traffic, even thus far, prove that this has been successfully accomplished. It is not thought by the Board that there has been so steady an increase of traffic by any of the other great lines between Chicago and the seaboard cities, even during the past two years, as by the Michigan Central road.

As, however, the revenues of the property of the Company have not corresponded with the increase of the business, and it is important that stockholders should perfectly understand the causes, at the risk of repeating statements formerly made, the Board again call their attention to the progressive reduction of rates, and the consequences of it upon the earnings of the road. The rate per ton, per mile, on all freight carried, shows the earning from every ton of freight, for every mile it is carried, and the reduction of this rate is the measure of the reduced earnings in each year. This rate, for each ton carried one mile, averaging all the business, in 1865, ten years ago, was $3\frac{6}{100}$ cents. One year later, it was $2\frac{60}{100}$ cents. Two years later still, it was $2\frac{9}{100}$ cents. In 1870, it was $1\frac{98}{100}$

cents. Two years later, it was $1\frac{56}{100}$ cents. In 1874, it was $1\frac{80}{100}$ cents; and last year it was reduced to $1\frac{16}{100}$ cents per ton, per mile. The last figure, it is believed, is the lowest which has ever been reached for the average transportation for both local and through freight, on any road until the last year. It will now be seen what effect this has had upon the gross revenues of the road.

The tonnage moved the last year, as stated above, was 1,641,280 tons. Could we have realized the rate per ton, per mile, which ruled in 1865, ten years ago, the earnings from this business would have been . . . \$9,741,999 69
While the real earnings were only . . . 3,692,267 01

a difference of \$6,049,732 68
which is more than seven five per cent. dividends lost.

Had we received the rate of 1870, five years later, and only five years ago, the earnings from this source would have been . . . \$6,303,646 83
while the real earnings were . . . 3,692,267 01

making a difference of \$2,611,379 82
equal to more than three five per cent. dividends lost.

Had we received only the rate of 1873, but two years ago, the earnings from freight alone would have been \$4,998,346 24
the actual earnings being 3,692,267 01

which leaves \$1,306,079 23
lost by simple depreciation of rates in two years only, and which is very nearly equal to two four per cent. dividends.

Had we received only the rates of the last year, the earnings from freight would have been \$4,138,758 00
while real earnings were 3,692,267 01

making a difference of \$446,490 99

This amount added to the earnings of the year, as stated in the accounts, would have carried the net earnings above those of the last year by \$370,240.32.

The effect of the depreciation of rates may be illustrated, in another form, on through business alone. For instance, on every ton of through freight, this Company realized in 1868, \$5.34, while the past year the sum realized has only been \$2.61; a loss from the rates of 1868, of \$2.73 on every ton carried. This loss by depreciation of rates on the through freight carried the last year, which was 958,045 tons, would be in the total \$2,615,462.85. The loss on the rates on through freight alone, therefore, since that time, is more each year than three five per cent. dividends.

The consequences of not bringing the road up to the necessities of business, may be shown by another form of statement. As has been stated, in 1870, business had assumed its maximum volume with the road in its then condition, and the road was everywhere clogged with it. Its earnings from freight in that year were \$2,634,438 87

Assuming that it could have retained the

same amount of business, as against rival roads, made fully adequate to all emergencies, and with steel and double tracks largely, which is not supposable, still it *could not avoid* the depreciation of rates, and would have been compelled to submit to them. The business therefore must have been done last year at the rate of $1\frac{11}{100}$ cents per ton, per mile, and instead of yielding the above sum, would have yielded of gross earnings, only . . . 1,541,676 81

Making a difference of \$1,092,762 06

which is equivalent to all the surplus of the Company applicable to dividends at that time. With the depreciation of through passenger rates added, of more than one-fifth, it is much more than that.

All these various statements are made that stockholders may clearly have before them the causes which have been operating

to affect the earnings of the main line, and the results of those causes, that each one may fully understand the reasons why the anticipations made of at least reasonable dividends, have not hitherto been realized. Also that they may be able to see that it was impossible to let the road remain in the condition in which it was in 1870-71. All the expenditures, therefore, for the enlargement of its ability, made since then, have been only those of the most imperative necessity. These expenditures include all those for steel rail—double track—including the Air Line road and others above alluded to. Had the country remained prosperous, the increase of business, large as it has been, would have been still larger, and somewhat better rates would have been realized, and it is more than probable, dividends would easily have been earned and made.

The causes above stated are the main ones which have affected the revenues of the Company. There is another, however, which, in a much smaller degree, has affected, up to the present time, and for some time longer, and until there shall be revived prosperity, will somewhat affect them. This is the leased lines,—those leased within the last five years. The Joliet & Northern Indiana was leased twenty years ago, and should not now be considered. Those leased within the period named, are the Jackson, Lansing & Saginaw, the Grand River Valley, the Kalamazoo & South Haven, and the Michigan Air Line roads. Of these, the Air Line road, in itself, never has been, and never will be, profitable. Except as a double track for the main line, and to relieve it, this Company could not afford to retain it. As a double track, it is as valuable, and, perhaps, more so, than a double track along the main line. It is obtained at a cheaper cost than such a double track could have been built. The business—passenger and freight—could not be done by one main line, and the Air Line is an immense relief to it, in the ease and dispatch with which the business can be done. While, therefore, the Air Line, as an independent road, would be of no value, it is important to this Company as its double track for the distance of one hundred and fifteen miles by the old line. It is simply a part of the main line, though it has, of course, some, though not a very important, local business, in addition.

It may be remarked, however, that worthless as it is in itself, as property, and would have been even if the projectors could have carried out their original plan, it failed of becoming another through line across the entire State, solely in consequence of a decision of the supreme court of the State, holding that it was not competent for the legislative power to authorize towns, cities and counties to vote aid to construct railroads,—a decision at variance with those of all other States, with, perhaps, one exception, and those of the supreme court of the United States. It was enough, however, to destroy the value of the large amount of the aid voted for it, and defeat its complete construction.

The other roads, named above, were all projected and begun and built by the people along their lines, stimulated, of course, by the large subsidies voted by towns, cities and counties, and realized before the decision alluded to, to aid in their construction. During the long period, from 1850 up to nearly 1865, but little had been done in the construction of railroads in the State. It had progressed rapidly, in wealth and population, but had remained nearly stationary, so far as this kind of improvement was concerned. The Michigan Southern Company had built a branch to Jackson; but with that exception, the country through which the main line of the Central road runs, had not been invaded by any other railroads. Its local traffic was, all that time, safe, and its rates not affected by competition, and were well maintained. The time had come, however, when this state of things could no longer continue. The country was really rich and populous, and, especially at the close of the war, numerous railways were projected, which it was clear, must affect, favorably or otherwise, the interests of this Company. All of those above named, were among them. Among the first was the Kalamazoo, Allegan & Grand Rapids, and the Jackson, Lansing & Saginaw roads. The first extended from Kalamazoo, by way of Allegan, to Grand Rapids,—all important places, and the last the second most important city in the State. Its business was largely with Chicago, and the Central road, from Kalamazoo, is the short road to that city. The road from Kalamazoo to Grand Rapids was to be, apparently, a valuable feeder to the road of this Company, and but for the subsequent

construction of other roads, would have been so. Not long afterwards—but after the road between Kalamazoo and Grand Rapids was completed, and the first hundred miles of the Jackson, Lansing & Saginaw had been opened—the Grand River Valley and the Kalamazoo & South Haven were undertaken, and had made considerable progress towards completion. For several years, and up to this time, it remained the purpose of this Company not to become connected with those roads, or any others, except by such friendly action and offices, as it was supposed would secure to this road the business to and from those roads, which could be more conveniently done by it, as was thought,—certainly as well, as by any other possible connecting line of road. They were all aided by personal subscription to the stock, by people along the lines, as well as by municipal assistance; but, being new, still needed aid to their credit in the market, for the sale of their bonds. Application was made to the Board of this Company for such aid, and after full consideration and discussion, it was agreed to make a traffic contract with them, by which this Company agreed to set apart of the earnings upon its own road, from business which those tributary roads might send over it, a certain percentage, which should be applied each year to buy the bonds of the tributary road in the market; and to give value to such a contract, each Company with which it was made, agreed to send all its business which it could control, over the Central road where the latter road was the direct road to the seaboard cities or to the West. The contracts so made with each of said companies from time to time, were printed upon the bonds, and they were sold, perhaps largely, upon the faith of it. These contracts imposed no burden upon this Company, because the percentage to be so applied was to come from new business created by the lateral road, largely at least. This was the position of things when the Kalamazoo, Allegan & Grand Rapids road had been finished, and opened some time. Its bonds had been sold upon the faith of such an agreement printed upon them. The Jackson, Lansing & Saginaw had been opened for a distance of one hundred and thirty-six miles.

Meanwhile the Michigan Southern Company had promoted and aided a railroad (now a part of its Grand Rapids Branch)

from Constantine, on its own line, north to Kalamazoo. As soon as this was done, it tempted the company owning the Kalamazoo, Allegan & Grand Rapids road, by offers to take a permanent lease of it, on such favorable terms as would give value to its stock. These offers were so alluring, that the company yielded to them, made the lease, and the road—whose business had been pledged by contract to the Central road, as above stated—passed into the hands and control of the Michigan Southern Company, and all its business, both east and west, was permanently lost to this Company.

The Grand River Valley, the Jackson, Lansing & Saginaw, and the Kalamazoo & South Haven, had progressed well toward completion. Let the reader turn to Map No. 2, appended to this Report, and he will note that each of these roads could now be as easily connected, at Jackson and Kalamazoo, with the Michigan Southern, as with the Central road. The Kalamazoo & Grand Rapids road had been absorbed by the Southern company. That company had, soon after, been consolidated with the Lake Shore Railroad Company. The consolidated company had lost none of the disposition and desire of the other, to reach out for and grasp business properly belonging to another company, but, on the contrary, this desire had apparently become intensified by its increased power and ability. Overtures were made in various ways, by parties connected with it, to open negotiations with the companies owning those roads, for their lease or purchase. The business of two of them, at least, was sure, in time, to be large, and, with what would be earned by themselves, and the business they could send over a connecting road, thus swelling its revenues, they were quite certain to become profitable, if not very valuable. It had now become, perhaps, equally dangerous for this Company either to have anything further to do with them, or to let them alone, to be overcome by temptation, as had been the Kalamazoo, Allegan & Grand Rapids Company. Either alternative was a disagreeable one, and contrary to what had been the policy of the Company. But to allow the Grand River Valley road to pass into the control of the Southern company, was not only to allow it to take all its business to Toledo and east, by the South Shore road, but also to give it the regulation of all rates on the

north as well as the south side of the Central road, which might be even worse than to lose the contribution of \$100,000 of business per annum, or nearly so, which, even in these times, that road makes to the main line. The same remarks are applicable to the Jackson, Lansing & Saginaw, and, though very much less important, to the Kalamazoo & South Haven road. The business of the last is comparatively unimportant, though not to be judged by these times. That of the other two was sure to be important, and the Jackson, Lansing & Saginaw, to increase with time, to great value. They might possibly be burdensome for a time, though it was not so thought; but if once leased to the Lake Shore & Michigan Southern Company, no matter how valuable they might become, they were forever gone, and their business forever turned to Toledo, and over the road of that company. All the advantages and disadvantages were considered. The manner in which the Board regarded them, even then, is stated in the report of 1871, page 10, after the Board had concluded, with much hesitation, that the alternative which was least dangerous, was to lease them on the best terms possible, where the following language is used:—

“There are multitudes of projected railroads in this State, and some of them are building; but the Board do not see in any of them anything which should tempt this Company to a connection with them. So far as possible, it has controlled those most likely to injure it when built, and which might, if controlled by it, become tributary to it. The policy, even to this extent, and from such motives, may be hazardous, and, whether wise, remains to be proved.”

There have been now, two years of great depression in all classes of business, and judged by the present, it might be considered that the sharpest horn of the dilemma had been chosen, while an experience of a short time more may, and probably will, prove that it would have been fatal to have chosen the other. In any event there has been no ambitious desire to acquire control of the roads of other companies. It has simply been the purpose to protect, so far as it might, the business properly belonging to your road and prevent it being turned away to other lines, and also, so far as it might, to protect its rates, which was almost equally impor-

tant. Even this, it will be seen, has been done rather as a choice of evils, and with the hope that the least of two evils was chosen, when both could not be avoided. It may, nevertheless, be stated that the Board considered, and do still consider, the agreement with the Jackson Lansing, & Saginaw, and also with the Grand River Valley, Companies, of real and substantial value to this Company, and were the decision to be made now with regard to them, we should not be willing to advise surrendering them. It is more doubtful about the Kalamazoo & South Haven.

It should perhaps be added that the construction of a railroad from Mackinac to Marquette, not long to be delayed, for which the State has made an appropriation of more than a million and a quarter of acres of land, exempt from taxation for twenty years, will add very largely to the value of the Jackson, Lansing & Saginaw Railroad in itself, aside from the great importance of it as a contributor to the business of the main line.

With all the anxiety felt to protect the local business of the road, and add to it, as well as to protect its rates, which have been the motives in taking control of roads which could, with equal facility, turn their business over your road, or that of the Lake Shore & Michigan Southern Company (and it has leased none other), only partial success has been obtained. So earnestly have local interests promoted the construction of new roads, that not only was the Air Line planned across the State, and likely to be built through, but another was also projected, parallel with it, and is nearly completed; viz., the Chicago & Lake Huron road. This is built from Battle Creek, in the direction of Chicago, parallel with the main line of this Company, nearly eighty miles, and distant from it only an average of seven miles. Last of all, and but just before the panic, the Lake Shore & Michigan Southern Company promoted the construction of a new road from Jonesville, on its old line, north, to Lansing, across the lines of your road, at Homer, Albion and Eaton Rapids, crossing the Air Line, main line, and Grand River Valley road. This is the youngest born of the brood of roads calculated to seriously affect both the traffic and the rates of the Michigan Central road. That stockholders may the better appreciate the changes made

by these and other cross roads along the main line, two maps have been prepared and published herewith. No. 1 shows the road as it was about ten years since. No. 2 shows it as it now is. The Michigan Southern road touches the main line in three, and crosses it in two places; the Pennsylvania system in one, and others at other points. At almost all local points the same competition is created as for through business. The responsibilities of a manager of a railroad property, so situated and going through such trials, for the past few years, has not been an agreeable one. Important and complicated questions, affecting its permanent interests, have arisen and necessarily been acted upon, sometimes requiring instant decision and action, and time alone can determine how wisely or unwisely it has been done. On the whole, it is believed they have been well decided. The great causes which have affected your property are not the lease of this or that lateral road, though temporarily this has had some effect. A little time will remedy all such results from that cause. The matters which have mainly impaired the revenues of the Company, have been wholly beyond the control of the management. They are largely permanent. But it is now hardly possible that the worst has not been reached. It is now quite certain that the future will be one of increasing revenue, with increase of business. It is also certain that the results of the economies begun and in progress, will be much more marked in the next than in the past year. There are, even now, indications of an improvement in several classes of business. Passenger rates, and rates on some classes of freight, have been, or will be, restored. Dissension between great companies, and involving all others in their consequences, will cease. There is promise of abundant harvests in the West. New roads can scarcely again, for many years, be built to injure the old ones. With the natural increase of business, and with only such rates as the condition of things will allow us to realize, but a short time will be required to restore the value of the great lines. It must come mainly from increased business, and not from any considerable increase of rates, though there will be an improvement in them.

The opening of the Baltimore & Ohio, to Chicago, its desire to advertise its line by cheap rates, and by the notoriety

which a contest with another great line would give it, have disturbed and unduly depressed them for a time, and some reaction will come as soon as business revives. The present effect has been very great. The whole reduction in the earnings of this Company, during the past year, has been since the opening of that road and wholly by reason of reduced rates, because the business has exceeded that of last year during the same period.

The passenger business has fallen off in earnings, slightly ; in all, \$9,520. This has been entirely in the local business, where the loss was \$44,428.09. There was an increase in the through passenger earnings, of \$34,908.09, notwithstanding the reduced fares.

The multiplication of through lines of cars, for the through freight business, by the various roads between the West and the East, is a source of great annual expense to all companies over whose roads they run, unless each company has its full quota of cars in the lines. The cost to this Company, for the use of such cars during the last year, was \$256,000. This is so great a burden that the Board has provided for seven hundred new cars which, during the spring, have been put upon the road, to be used where they will best counterbalance this large annual charge. The money to pay for them was provided for by an equipment mortgage, and by a pledge of the sinking funds, which will be released to this Company, by the payment of the remaining bonds falling due in 1882, and which are provided for by the bonds under the ten million mortgage, set apart for that, and which can be used for no other, purpose.

There has been but little construction during the year, though something has been necessarily done. The construction of new shops, elsewhere, left the buildings formerly used for shops, and standing in the yard fronting on Woodbridge Street, in Detroit, to be made useful for other purposes. They had become both inadequate and of no use for the former purpose for which they had been used. All except those immediately on the street have been removed, and the space occupied added to the station yards. Those fronting upon that street have been remodelled and repaired, and converted into a freight-house, which is used by the Grand Trunk Company, for which it

furnishes excellent conveniences for freight purposes. A sand-house, and chutes for handling coal at the Junction, and coal platforms, and shed for surplus coal for emergencies, have been built. Twenty-one miles of siding have been laid at various points. Something has been charged to construction this year, resulting from matters not wholly settled in the past. Altogether, however, but little has been expended, except as steel rail, instead of iron, has been used to repair the track, where iron has given way, and the above are the chief items.

It will be seen from the statement of the Superintendent, that about fifty miles of iron still remain in the track—main line—which must be replaced by steel as it gives way. It would be real economy, without doubt, to do this at once, and it must in any event, probably, all be done next year. Aside from this, there are no extraordinary expenses anticipated for some years.

Stockholders who read the semi-annual statement of last December, will recollect that the floating debt, which had been upwards of a million in June before, had been nearly extinguished at the date of that statement. The January interest, and the rent for the Joliet & Northern Indiana road, both amounting to \$224,960, and the taxes about \$200,000, were paid in January and December, and all the wood and ties were bought during those months and February and March, absorbing about \$350,000. Our earnings since December 1, owing partly to the depressed state of business, and partly to the action of the Baltimore & Ohio, have fallen off, between November and June, about \$530,000. All these causes together, have again created a debt, which will be stated by the Treasurer, to whose statement, for the financial condition of the Company, reference is made.

With increased, and very largely increased economy in the working of the road, which it is believed will become much more marked in the next, than in the present year; with returning prosperity and the consequent natural increase of the business of the country, of which the regular and constant fast increase, from year to year, on the road, shows that we may reasonably expect our full share, with some little improvement which will be realized in the rates, there are

well-grounded hopes of an early restoration of value to the stock of the Company, by reasonable dividends.

For the condition of the sinking funds, reference is made to the report of the Trustees, and for the condition of the road in other respects, to that of the Superintendent, who has, for the sake of brevity, condensed into his own, those of the other heads of departments.

It gives the Board great pleasure to state that the Superintendent, W. B. Strong, and the staff by which he is aided, are active, vigilant and earnest in their efforts, both to economize in every possible way in the expenses, as well as to promote and make the most of the business of the road, and to express the belief that the utmost which can possibly be done by them to insure the best results, will be accomplished.

By order of the Board,

JAMES F. JOY, *President*.

TREASURER'S REPORT.

*To the President and Directors of the Michigan Central
Railroad Company.*

GENTLEMEN :—The accounts of the Company, for the year ending 31st of May last, are herewith submitted.

A comparison of the business of the past year with that of the previous year shows the following result :—

From June 1, 1873, to June 1, 1874,—	
The gross receipts of the main line and branches were	\$7,665,372 66
operating expenses,	\$5,523,642 39
interest account,	1,284,432 20
	6,808,074 59
Net,	\$857,298 07

From June 1, 1874, to June 1, 1875,—	
The gross receipts were (from main line and branches)	\$6,720,013 45
operating expenses,	\$5,068,097 76
interest account,	1,594,414 53
	6,662,512 29
Net,	\$57,501 16

The bonded debt has been increased during the past year by the issue of \$600,000 equipment bonds, so that it now amounts for the main line to \$11,335,000; of which amount \$672,000 of the bonds of 1882 are in the sinking funds,

which reduces the amount of outstanding bonds to \$10,-663,000.

The sum invested in the sinking funds, less the bonds of this Company therein, amounts to \$1,044,719.57, as shown in the report of the Trustees.

The bonded debts of the leased roads, which have been assumed by this Company, are as follows, all bearing eight per cent. interest :—

Michigan air line,	\$1,900,000 00
“ “ South Bend Division,	200,000 00
Grand River Valley,	1,500,000 00
Kalamazoo & South Haven,	710,000 00
Jackson, Lansing & Saginaw,	4,253,000 00

The bonds of the Detroit & Bay City Railroad

Company have been indorsed by this Company to amount of

\$424,000 00

The capital stock stands as at last report,	\$18,738,204 00
Construction account amounts to	27,663,324 85
Bills payable now amount to	770,015 16

Respectfully submitted,

ISAAC LIVERMORE, *Treasurer.*

BOSTON, July 6, 1875.

[A]

Income Account, *Michigan Central Railroad Company.*

Cr.

1875. May 31. To operating account Main and Air Lines, . . . Interest account, " . . .	\$4,140,769 18 891,596 53	1874. June 1.	By balance from last account, . . .	\$1,582,263 98
To balances to debit of Branch Roads— Joliet & Northern Indiana Railroad, . . . Grand River Valley Railroad, . . . Kalamazoo & South Haven Railroad, . . . Nunica Division Railroad, . . . South Bend Division Railroad, . . . Jackson, Lansing & Saginaw Railroad, . . .	\$118,080 23 67,767 48 37,318 63 31,950 35 13,564 39 162,358 95	1875. May 31.	By receipts of Main and Air Lines, from June 1, 1874 to May 31, 1875,	5,520,906 90
To balance to new account, . . .	431,040 03 1,639,765 14 \$7,103,170 88	1875. June 1.	By balance brought down, . . .	\$1,639,765 14
				\$7,103,170 88
				\$1,639,765 14

BOSTON, June 1, 1875.

(E. & O. E.)

ISAAC LIVERMORE, *Treasurer.*

Trial Balance, Michigan Central Railroad Company.

Cr.

Dr.

1875. May 31.	1875. May 31.			
Cash,	\$66,949 69	By Capital stock,		\$18,738,204 00
Chicago land account,	168,293 67	Bond accounts—		
Sundry securities and accounts,	256,360 69	8 per cent. 1st mortgage, payable		
Jackson land account,	23,911 31	Oct. 1, 1882,		\$556,000
Joliet & Northern Indiana Railroad stock,	168,225 00	8 per cent. 1st mortgage, payable		
Jackson, Lansing & Saginaw Railroad stock,	276,730 22	Oct. 1, 1882, 2d sinking fund,		668,000
Construction account,	27,663,324 85	8 per cent. 1st mortgage, payable		
Assets in hands of C. F. Livermore, Local Treas.,	26,206 70	Oct. 1, 1882, 1st sinking fund,		1,511,000
Assets in hands of J. F. Joy, President,	107,767 71	7 per cent. consolidated mort., paya- ble May 1, 1902,		8,000,000
Materials on hand,	225,298 95	8 per cent. equipment bonds, pay- able April 1, 1883,		600,000
Grand River Valley Railroad Construction account,	917,101 00			11,335,000 00
Michigan Air Line Railroad Construction account,	2,806,769 83	By 8 per cent. Air Line mortgage, payable Jan. 1, 1890,		1,900,000 00
Kalamazoo & South Haven R. R. Const. account,	114,935 24	unpaid dividends and coupons,		55,787 13
Joliet & Northern Indiana R. R. Const. account,	39,168 91	bills payable,		770,015 16
South Bend Air Line R. R. Construction account,	23,495 60	income account,		1,639,765 14
Jackson, Lansing & Saginaw R. R. Const. account,	696,977 05			
Detroit & Bay City Railroad Company,	164,116 25			
Chicago & Michigan L. S. Bonds,	85,170 08			
Detroit, Hillsdale & Indiana Bonds,	8,475 00			
Detroit, Eel River & Illinois Bonds,	4,350 00			
H. H. Hunnewell and N. Thayer, Trustees Equip- ment Bonds,	585,000 00			
Bills receivable,	10,143 68			
	\$34,438,771 43			\$34,438,771 43

BOSTON, June 1, 1875.

(E. & O. E.)

ISAAC LIVERMORE, Treasurer.

TRUSTEES' REPORT.

To the President and Directors of the Michigan Central Railroad Company.

The Trustees appointed under the Trust Mortgage Deed of the Michigan Central Railroad Company, to John M. Forbes, Nathaniel Thayer and H. H. Hunnewell, Trustees, under date of September 29, 1857, report: That the present standing of the sinking funds, the care of which was intrusted to them, shows the balance to the credit of the *First Sinking Fund*, on the 31st of May, 1875, was in

Bonds at par, viz. :—	
Michigan Central Railroad Co.,	\$505,500 00
Hannibal & St. Joseph R. R. Co.,	33,700 00
Joliet & Northern Indiana R. R. Co.,	105,000 00
Burlington & Missouri River R. R. Co.,	191,000 00
Missouri River, Fort Scott & Gulf R. R. Co.,	5,000 00
Jackson, Lansing & Saginaw R. R. Co.,	140,000 00
Carthage & Burlington R. R. Co.,	22,500 00
Dixon, Peoria & Hannibal R. R. Co.,	13,000 00
Ionia & Lansing R. R. Co.,	17,000 00
Fort Wayne, Jackson & Saginaw R. R. Co.,	25,000 00
Chicago & Michigan Lake Shore R. R. Co.,	146,000 00
Detroit, Lansing & Lake Michigan R. R. Co.,	26,000 00
Detroit, Hillsdale & Indiana R. R. Co.,	7,000 00
Chicago, Burlington & Quincy R. R. Co.,	40,500 00
United States 5-20 bonds,	12,500 00
Stock in Michigan Central R. R., at par,	10,100 00
Cash in Old Boston National Bank,	2,077 91
	\$1,301,877 91

To the credit of the *Second Sinking Fund*, on the 31st of May, 1875, was in

Bonds at par, viz. :—

Michigan Central Railroad Co.,	\$166,500 00
Hannibal & St. Joseph R. R. Co.,	12,900 00
Joliet & Northern Indiana R. R. Co.,	32,000 00
Burlington & Missouri River R. R. Co.,	63,000 00
Missouri River, Fort Scott & Gulf R. R. Co.,	15,000 00
Jackson, Lansing & Saginaw R. R. Co.,	56,000 00
Carthage & Burlington R. R. Co.,	3,000 00
Ionia & Lansing R. R. Co.,	4,000 00
Chicago & Michigan Lake Shore R. R. Co.,	31,000 00
Detroit, Lansing & Lake Michigan R. R. Co.,	4,000 00
Detroit, Hillsdale & Indiana R. R. Co.,	5,000 00
Chicago, Burlington & Quincy R. R. Co.,	12,500 00
United States 5-20 bonds,	5,000 00
Stock at par—Michigan Central R. R. Co.,	3,200 00
Joliet & Northern Indiana R. R. Co.,	1,000 00
Cash in Old Boston National Bank,	741 66
	<hr/>
	\$414,841 66
	<hr/>

The accounts for the year ending May 31, 1875, are as follows :—

The Michigan Central Railroad FIRST SINKING FUND in account with the Trustees.

1874.

Received.

May 30.	Cash in Old Boston National Bank, . .	\$272 86
July 1.	Second Sinking Fund, amount due May 31, 1874,	79 31
	Six months interest on—	
1.	131,000 Jackson, Lansing & Saginaw R. R. bonds,	5,240 00
1.	13,000 Dixon, Peoria & Hannibal R. R. bonds,	520 00
1.	31,500 Chicago, Burlington & Quincy R. R. bonds of 1896,	1,102 50
1.	9,000 Chicago, Burlington & Quincy R. R. bonds of 1903,	315 00
Oct. 1.	191,000 Burlington & Missouri River R. R. bonds,	6,685 00
1.	33,700 Hannibal & St. Joseph R. R. bonds,	1,179 50
Nov. 2.	22,500 Carthage & Burlington R. R. bonds,	900 00
2.	9,000 Jackson, Lansing & Saginaw R. R. bonds,	360 00
	<hr/>	
	Amount carried forward,	\$16,654 17

		<i>Amount brought forward,</i>		\$16,654 17
1874.				
Nov. 25.	One-half of amount of six months interest coupons of \$26,000 bonds of Detroit, Lansing & Lake Michigan R. R. Co.—			
	Coupons, \$1,040, due April 1, 1874, one-half is			520 00
	Coupons, \$1,040, due Oct. 1, 1874, one-half is			520 00
1875.				
	Six months interest on—			
Jan. 1.	131,000	Jackson, Lansing & Saginaw R. R. bonds,	5,240	00
1.	13,000	Dixon, Peoria & Hannibal R. R. bonds,	520	00
1.	31,500	Chicago, Burlington & Quincy R. R. bonds of 1896,	1,102	50
1.	9,000	Chicago, Burlington & Quincy R. R. bonds of 1903,	315	00
1.	17,000	Ionia & Lansing R. R. bonds, due July 1, 1874,	680	00
1.	17,000	Ionia & Lansing R. R. bonds, due Jan. 1, 1875,	680	00
21.	2,000	Joliet & North'n Indiana R. R. bonds, sold at par, without interest,	2,000	00
	Six months interest on—			
April 1.	191,000	Burlington & Missouri River R. R. bonds,	6,685	00
1.	33,700	Hannibal & St. Joseph R. R. bonds,	1,179	50
	One-half of amount of six months interest coupons of—			
1.	26,000	bonds of Detroit, Lansing & Lake Michigan R. R.,	520	00
	Six months interest on—			
May 31.	22,500	Carthage & Burlington R. R. bonds,	900	00
31.	9,000	Jackson, Lansing & Saginaw R. R. bonds,	360	00
			<hr/>	\$37,876 17
		<i>Paid.</i>		
Aug. 3.	Cost of 6,000 Michigan Central R. R. Sinking Fund bonds,			\$6,742 67
Oct. 26.	“ 5,000 Michigan Central R. R. Sinking Fund bonds,			5,527 77
27.	“ 3,000 Michigan Central R. R. Sinking Fund bonds,			3,309 83
			<hr/>	
		<i>Amount carried forward,</i>		\$15,580 27

	<i>Amount brought forward,</i>		\$15,580 27
1875.			
Jan. 13.	Cost of 4,000 Michigan Central R. R. Sinking Fund bonds,		4,490 67
16.	" 5,000 United States 5-20 Bonds of July, 1865,		5,875 00
22.	" 1,500 United States 5-20 bonds of July, 1865,		1,773 75
April 26.	" 6,000 United States 5-20 bonds of July, 1865,		7,312 50
May 31.	Commission one per cent. on purchases for year ending May 31, 1875,		350 32
	Clerk hire,		150 00
	Fees for legal services,		113 80
	Rent of safe, advertising, etc.,		151 95
	Cash in Old Boston National Bank, May 31, 1875,		2,077 91
			<hr/> \$37,876 17

*The Michigan Central Railroad SECOND SINKING FUND in account with
the Trustees.*

Received.

1874.	Six months interest on—		
July 1.	54,000 Jackson, Lansing & Saginaw R. R. bonds,		\$2,160 00
1.	9,500 Chicago, Burlington & Quincy R. R. bonds of 1896,		332 50
1.	3,000 Chicago, Burlington & Quincy R. R. bonds of 1903,		105 00
1.	Dividend on 10 shares Joliet & North- ern Indiana R. R. stock,		40 00
	Six months interest on—		
Oct. 1.	63,000 Burlington & Missouri River R. R. Land Mortgage bonds,		2,205 00
1.	12,900 Hannibal & St. Joseph R. R. Land Mortgage bonds,		451 50
Nov. 2.	3,000 Carthage & Burlington R. R. bonds,		120 00
2.	2,000 Jackson, Lansing & Saginaw R. R. bonds,		80 00
25.	One-half of amount of six months in- terest coupons of \$4,000 bonds of Detroit, Lansing & Lake Michigan R. R. Co.—		
	Coupons \$160, due April 1, 1874, one-half is		80 00
	Coupons \$160, due Oct. 1, 1874, one- half is		80 00
	<i>Amount carried forward,</i>		<hr/> \$5,654 00

		<i>Amount brought forward,</i>			\$5,654 00
1875.		Six months interest on—			
Jan. 1.	54,000	Jackson, Lansing & Saginaw			
		R. R. bonds,		2,160	00
	1.	9,500 Chicago, Burlington & Quincy			
		R. R. bonds of 1896,		332	50
	1.	3,000 Chicago, Burlington & Quincy			
		R. R. bonds of 1903,		105	00
	1.	4,000 Ionia & Lansing R. R. bonds,			
		due July 1, 1874,		160	00
	1.	4,000 Ionia & Lansing R. R. bonds,			
		due Jan. 1, 1875,		160	00
April 1.	63,000	Burlington & Missouri River			
		R. R. Land Mortgage bonds,		2,205	00
	1.	12,900 Hannibal & St. Joseph R. R.			
		Land Mortgage bonds,		451	50
	1.	One-half of amount of six months interest coupons of \$4,000 bonds of Detroit, Lansing & Lake Michigan R. R. Co.,		80	00
		Six months interest on—			
May 31.	3,000	Carthage & Burlington R. R. bonds,		120	00
	31.	2,000 Jackson, Lansing & Saginaw R. R. bonds,		80	00
					<hr/>
					\$11,508 00
1874.		<i>Paid.</i>			
Aug. 3.	Cost of 2,000 Michigan Central R. R. Sinking Fund bonds,			\$2,247	55
Oct. 27.	" 2,000 Michigan Central R. R. Sinking Fund bonds,			2,206	56
1875.					
Jan. 16.	" 3,000 U. S. bonds of July, 1865,			3,525	00
April 26.	" 2,000 " "			2,437	50
May 31.	Commission one per cent. on purchases for year ending May 31, 1875,			104	17
	Clerk hire,			50	00
	Fees for legal opinions,			36	20
	Rent of safe, advertising, etc.,			80	05
	Due First Sinking Fund, May 30, 1874,			79	31
	Cash in Old Boston National Bank, May 31, 1875,			741	66
					<hr/>
					\$11,508 00
		(E. & O. E.)			

N. THAYER,
H. H. HUNNEWELL,
W. H. FORBES,

Trustees.

BOSTON, June 24, 1875.

AUDITOR'S REPORT.

BOSTON, July 8, 1875.

To the Directors of the Michigan Central Railroad Company.

GENTLEMEN:—I have examined the President's books at Detroit, and the Treasurer's at Boston, for the year ending May 31, and have found them to be correctly kept, and supported by proper vouchers.

Respectfully,

WILLIAM BOOTT, *Auditor.*

GENERAL SUPERINTENDENT'S REPORT.

OFFICE OF GENERAL SUPERINTENDENT, }
CHICAGO, ILL., June 26, 1875. }

Hon. JAMES F. JOY, *President*.

DEAR SIR:—Herewith I hand you statement of the operations of the main line and branches of the Michigan Central Railroad, for the year ending May 31, 1875.

The length of road operated was same as during the previous year :—

Main line (including 14 miles Chicago to Kensington, used jointly with the Illinois Central Railroad Company),	284 miles.
Branches,	519.72 “
Total,	803.72 miles.

The earnings of the years 1874 and 1875 compare as follows, viz. :—

	1874.	1875.	Decrease.
Passenger,	\$2,360,948 86	\$2,318,998 66	\$41,950 20
Freight,	4,918,961 93	4,447,838 69	471,123 24
Miscellaneous,	354,170 91	335,449 06	18,721 85
Totals,	\$7,634,081 70	\$7,102,286 41	\$531,795 29

Showing a decrease in the earnings of $6\frac{26}{100}$ per cent. from the previous year.

The operating expenses for the same years show the following comparison :—

	1874.	1875.	Increase.	Decrease.
Operating expenses,	\$5,316,549 64	\$4,847,724 20	—	\$468,825 44
Taxes,	207,092 75	220,373 56	\$13,280 81	—
Totals,	\$5,523,642 39	\$5,068,097 76	—	\$455,544 63
Ratio of expenses to earnings, including taxes,	} 73 $\frac{85}{100}$ pr. ct.	71 $\frac{85}{100}$ pr. ct.	—	2 pr. ct.
Excluding taxes, . .			—	1 $\frac{89}{100}$ “

The following table shows the earnings and expenses of the main line and branches during the year, separately :—

	Gross Earnings.	Expenses.	Net Earnings.
Main line,*	\$5,903,179 86	\$4,140,769 18	\$1,762,410 68
Joliet Division,	127,711 86	171,324 09	—43,612 23
Grand River Valley Div.,	293,528 20	216,735 68	76,792 52
Kalamazoo & So. Haven Division,	} 67,064 64	47,583 27	19,481 37
Nunica Division,			
South Bend Division, . .	18,434 74	15,999 13	2,435 61
Jackson, Lansing & Saginaw Division,	} 658,286 89	409,655 84	248,631 05
Totals,			
	\$7,102,286 41	\$5,068,097 76	\$2,034,188 65

* Including Air-Line Division, which is practically a second track to the main line.

The following is a comparative statement of the earnings and expenses of the main line during the last two years :—

	1874.	1875.	Increase or Decrease.
<i>Earnings.</i>			
Passenger,	\$1,803,247 66	\$1,793,727 66	\$9,520 00
Freight,	4,086,785 12	3,692,267 01	394,518 11
Miscellaneous,	306,683 29	295,943 10	10,740 19
Totals,	\$6,196,716 07	\$5,781,937 77	\$414,778 30
<i>Expenses.</i>			
Operating expenses,	\$4,055,594 05	\$3,684,998 03	\$370,596 02
Taxes,	164,361 09	177,815 55	*13,454 46
Totals,	\$4,219,955 14	\$3,862,813 58	\$357,141 56
<i>Ratio of Expenses to Earnings.</i>			
Including taxes,	68 $\frac{1}{10}$ per ct.	66 $\frac{80}{100}$ per ct.	1 $\frac{80}{100}$ per ct.
Excluding taxes,	65 $\frac{45}{100}$ "	63 $\frac{78}{100}$ "	1 $\frac{72}{100}$ "
<i>Earnings per Mile.</i>			
Passenger,	\$6,349 46	\$6,315 94	\$33 52
Freight,	14,390 09	13,000 94	1,389 15
Miscellaneous,	1,079 87	1,042 05	37 82
Totals,	\$21,819 42	\$20,358 93	\$1,460 49

* Increase.

FREIGHT TRAFFIC.

The freight business, as compared with that of the preceding year, shows an increase in tonnage and a decrease in earnings, as in the following table:—

Tonnage.

	1874.	1875.	Increase.	Decrease.
Through East, .	806,792	752,650	—	54,142
“ West, .	141,273	205,395	64,122	—
Local East, .	364,895	382,084	17,189	—
“ West, .	280,994	301,151	20,157	—
Totals, .	1,593,954	1,641,280	47,326	—

Earnings.

Through East, .	\$2,408,596 32	\$1,830,324 89	—	\$578,271 43
“ West, .	454,797 21	584,645 55	\$129,848 34	—
Local East, .	702,483 14	737,237 32	34,754 18	—
“ West, .	520,908 45	540,059 25	19,150 80	—
Totals, .	\$4,086,785 12	\$3,692,267 01	—	\$394,518 11

Percentage of local increase,	4.40 100
of through West increase,	28.55 100
of through East decrease,	24.08 100
of through decrease,	15.66 100
of total decrease,	9.65 100

It will be noticed that while through freight, eastward, shows a decrease in tonnage of only $6\frac{71}{100}$ per cent., the earnings from this class of business have decreased $24\frac{08}{100}$ per cent., a loss which the increase on through West and local freight was not sufficient to make up to us, and which is due to the low rates on this business, brought about by the ruinous competition of the roads between Chicago and the East.

PASSENGER TRAFFIC.

The results of the passenger business of this and last years will be found in the following tables :—

Number of Passengers.

	1874.	1875.	Increase.	Decrease.
Through East, .	69,390	75,180	5,790	—
“ West, .	65,122½	64,204½	—	918
Local East, .	362,385	335,836	—	26,549
“ West, .	361,833½	333,065	—	28,768½
Emigrants, .	18,714½	23,203½	4,489	—
Totals, .	877,445½	831,489	—	45,956½

Earnings.

Through East, .	\$475,204 75	\$505,421 06	\$30,216 31	—
“ West, .	450,872 30	444,934 02	—	\$5,938 28
Local East, .	418,970 63	400,482 21	—	18,488 42
“ West, .	415,578 40	389,638 73	—	25,939 67
Emigrants, .	42,621 58	53,251 64	10,630 06	—
Totals, .	\$1,803,247 66	\$1,793,727 66	—	\$9,520 00

Percentage of through East increase,	6 $\frac{25}{100}$
of through West increase,	1 $\frac{31}{100}$
of through increase,	2 $\frac{62}{100}$
of local decrease,	4 $\frac{74}{100}$
of emigrant increase,	24 $\frac{94}{100}$
of total decrease,	0 $\frac{52}{100}$
of local to entire earnings,	44 $\frac{05}{100}$
of through to entire earnings,	55 $\frac{95}{100}$

It will be noticed that the decrease in this department is in the local travel, the through business showing a very satisfac-

tory increase, considering the extremely low rates which have latterly prevailed. The decrease is attributable to the general depression in all kinds of business.

LOCOMOTIVE DEPARTMENT.

The number of locomotives now in use on the road is two hundred and eleven (211), being an increase of one over the previous year.

The summary following the statement of performance of locomotives will show the general nature of repairs made upon our engines during the year. Their general condition is considerably improved, but more and heavier repairs will be required to put them in first-class condition, such as our traffic demands.

CAR DEPARTMENT.

There have been the following additions to our car equipment during the last year :—

First-class passenger coach,	8 wheels, 1
Pay car,	12 “ 1
Combination passenger and baggage cars, .	12 “ 2
Way cars,	8 “ 2
Grain cars,	8 “ 100
Combination stock cars,	8 “ 400
Blue Line cars,	8 “ 200

The following have been built by this department during the year :—

6 passenger coaches.

1 pay car.

One passenger coach has been remodelled and fitted for use of the officers of the Company.

Repairs, varying from complete renovation to repairs and revarnishing, have been put upon—

41 passenger cars.

40 baggage and mail cars.

593 freight cars of the various classes, and

75 freight cars have been rebuilt.

There have also been built,—

11 hand and 3 rubble cars, and
71 hand and 9 rubble cars have been rebuilt, from old material mostly.

The changes and additions made to our rolling-stock are shown in detail in Table D, at the close of this report. The condition of cars, both passenger and freight, is much improved over that of last year, but it has not yet reached the standard to which it should be brought.

BUILDINGS.

The buildings in progress a year ago at Grand Trunk Junction have been completed, and in addition we have built there a sand-house, with brick walls and stone foundation; coal chutes to hold five hundred tons of coal; platforms and sheds.

At Detroit we have built a freight-house and office, with appurtenances for the Grand Trunk Railway, and at Grand Rapids have a new passenger-house in progress, and nearly completed.

TRACKS.

During the year we have extended side-tracks, as follows :—

Main Line,	16.14 miles.
Air Line Division, . . . . .	.15 “
Joliet Division, . . . . .	.23 “
Jackson, Lansing & Saginaw Division, .	4.53 “
Grand River Valley Division, . . . . .	.58 “
Kalamazoo & South Haven Division, .	.21 “
<hr/>	
Making a total of new side-tracks, .	21.84 miles.

In repairs we have relaid track as below :—

Main Line—New iron,	12.80	
New steel,	14.25	
	—	27.05 miles.
Air Line Division—New iron,	14.10	
New steel,	12.50	
	—	26.60 “
Joliet Division—New iron,	5.94	“
Jackson, Lansing & Saginaw Division—New iron,	4.24	
New steel, . . . . .	.31	
	—	4.55 “
Grand River Valley Division—New iron, . . . . .	.63	“
	—	
Total—New iron,	37.71	
New steel,	27.06	
	—	64.77 miles.

Details of Track.

	No. of Miles Main Track.	No. of Miles Side Track.
Main Line (Detroit to Kensington),—		
Main track, 270.00		
Second track, 72.50		
	342.50	138.91
Air Line Division,	103.60	10.45
Jackson, Lansing & Saginaw Division,	236.00	27.63
Grand River Valley Division,	84.00	6.70
Kalamazoo & South Haven Division,	40.00	2.80
Joliet Division,	45.00	7.28
Niles and South Bend Division,	11.12	1.08
Total,	862.22	194.85
Steel Rails—Main line, main track,	219.00 miles.	
Main line, second track,	72.50 “	
Air line,	15.05 “	
Total,	306.55 miles.	

TELEGRAPH.

During the year we have rebuilt three miles of telegraph at Grand Trunk Junction and Michigan City, and constructed nine miles of new line; two and one-half at Detroit, two and one-half at Michigan City, and four at the Union Stock Yards in Chicago. We have also acquired by arrangements with other companies, the use of forty miles of new line on the South Haven Division, and ten miles on the South Bend Division.

For further details of the operations of the different departments, please refer to the accompanying statements.

Very respectfully,

WM. B. STRONG,
General Superintendent.

T A B L E S

TO

GENERAL SUPERINTENDENT'S REPORT.

1875.

[A]
EARNINGS for the Year ending May 31, 1875.

MONTHS.	Passengers.	Freight.	Mail.	Miscellaneous.	Total—1875.	Total—1874.	Increase.	Decrease.
1874.								
June,	\$156,074 13	\$296,854 62	\$5,051 30	\$10,927 58	\$468,907 63	\$480,027 70	-	\$11,120 07
July,	169,106 63	228,987 77	5,051 30	10,156 26	413,301 96	457,852 53	-	44,550 57
August,	179,073 72	290,672 12	5,051 30	9,994 57	484,791 71	452,329 66	\$32,462 05	-
September,	208,919 30	327,706 72	5,051 30	10,806 65	552,483 97	617,290 61	-	64,806 64
October,	187,682 06	399,974 70	5,051 30	17,179 66	609,887 72	537,031 07	72,856 65	-
November,	150,892 68	309,267 14	5,051 30	60,268 37	525,479 49	506,803 72	18,675 77	-
December,	137,983 17	321,865 35	5,051 30	16,668 31	481,568 13	552,547 89	-	70,979 76
1875.								
January,	107,914 33	306,262 20	-	9,298 57	423,475 10	555,709 10	-	132,234 00
February,	92,918 98	271,519 03	-	8,550 39	372,988 40	438,037 07	-	65,048 67
March,	124,702 93	378,164 58	-	10,696 79	513,564 30	487,871 02	25,693 28	-
April,	136,785 34	322,300 05	8,814 33	12,380 44	480,280 16	551,931 61	-	71,651 45
May,	141,674 39	238,692 73	6,259 57	68,582 51	455,209 20	559,284 19	-	104,074 99
Totals,	\$1,793,727 66	\$3,692,267 01	\$50,433 00	\$245,510 10	\$5,781,937 77	\$6,196,716 17	-	\$414,778 40

[B]

COMPARATIVE STATEMENT of *Operating Expenses of the Michigan Central Railroad for the Years ending May 31, 1874, and May 31, 1875.*

EXPENDED FOR—	1874.	1875.
Road repairs,	\$263,571 40	\$375,838 45
Building repairs,	151,593 70	96,455 62
Locomotive repairs,	230,368 39	232,308 97
Car repairs,	619,061 06	353,557 64
Locomotive service,	250,174 10	281,126 02
Train service,	253,991 83	262,492 09
Station service,	993,024 71	942,857 65
Fuel,	754,592 09	581,109 61
Oil and Waste,	103,904 46	67,231 21
Stationery,	49,801 46	50,844 39
Telegraph,	50,242 17	52,554 25
Taxes,	164,361 09	177,815 55
Car mileage,	243,078 42	256,587 67
Rents,	—	42,624 58
Miscellaneous,	92,189 96	89,409 88
Totals,	\$4,219,955 14	\$3,862,813 58

[C]

LOCOMOTIVE DEPARTMENT.

Miles run by Engines.

Passenger,	1,028,171
Freight,	2,390,323
Switching,	1,337,793
Miscellaneous,	259,328
Total,	5,015,615

Expense of Maintenance.

Locomotive repairs,	\$243,815 50
“ service,	292,340 52
Fuel, wood, 75,350 cords, at \$3.91,	\$294,618 50
Coal, 73,659 tons, at \$3.76,	276,957 84
	<hr/> 571,576 34
Oil, 39,268 $\frac{3}{4}$ gallons, at 42 $\frac{3}{10}$ cents,	16,846 28
Waste, 17,205 lbs., at 11 $\frac{25}{100}$ “	1,935 56
Rags, 114,406 “ at 4 $\frac{52}{100}$ “	5,194 03
	<hr/> \$1,131,708 23

Cost per Mile Run.

	1874.	1875.	Increase.	Decrease.
For repairs,	\$0 04.96	\$0 04.86	—	\$0 00.10
service,	04.89	05.82	\$0 00.93	—
fuel,	14.46	11.39	—	03.07
oil,	00.64	00.33	—	00.31
waste and rags,	00.19	00.14	—	00.05
Total,	\$0 25.14	\$0 22.54	—	\$0 02.60

Principal Items of Renewal and Repair.

Rings, steel tires,	95
Driving wheels,	23
Driving axles, straight,	2
" " crank,	3
Fire-boxes,	13
Smoke-stacks,	71
Cabs,	6
Tender-frames,	25
Pilots,	30
Truck and tender wheels,	639
Truck and tender axles,	115
Sets of flues reset,	49
Engines painted and varnished throughout,	37
" " " partially,	91
" taken into shops for general repairs,	45

[D]

CAR DEPARTMENT—Rolling-Stock and details of Additions and Changes during the Year.

No. of wheels.	DESCRIPTION.	On hand May 31, 1874.	On hand May 31, 1875.	Increase.	Decrease.	New cars added.	Cars rebuilt.	Cars transf'd from other classes.	Cars transferred to other classes.	Destroyed by fire or other accident.	Taken out of service.
12	Passenger cars,	74	74	-	-	4	-	-	-	2	2
8	"	8	9	1	-	2	-	-	1	-	-
12	Second-class cars,	30	30	-	-	-	-	-	-	-	-
8	"	4	2	-	2	-	-	-	1	-	1
8	Officers' car,	-	1	1	-	-	-	1	-	-	-
12	Pay car,	-	1	1	-	1	-	-	-	-	-
12	Comb. passenger and baggage cars, . .	-	2	2	-	2	-	-	-	-	-
12	Postal cars,	3	3	-	-	-	-	-	-	-	-
12	Baggage and mail cars,	19	17	-	2	-	-	-	1	-	1
8	"	20	19	-	1	-	-	1	1	-	-
8	Way or conductor's cars,	96	99	3	-	2	4	2	-	5	-
8	Large stock cars,	164	138	-	26	-	1	-	25	2	-
8	Double deck cars,	189	187	-	2	-	16	-	-	-	18
8	Small stock cars,	140	137	-	3	-	1	-	-	4	-

8	Merchandise box cars, . . .	1,843	1,828	-	15	-	18	31	38	20	6
8	Combination stock cars, . .	-	500	500	-	500	-	-	-	-	-
8	Blue Line cars, . . .	474	710	236	-	200	2	38	-	4	-
8	Refrigerator cars, . . .	21	21	-	-	-	-	-	-	-	-
8	Platform cars, . . .	1,332	1,308	-	24	-	36	-	6	23	31
8	Derrick cars, . . .	2	2	-	-	-	-	-	-	-	-
8	Pile drivers, . . .	2	2	-	-	-	-	-	-	-	-
	Hand cars, . . .	-	-	-	-	11	71	-	-	-	-
	Rubble cars, . . .	-	-	-	-	3	9	-	-	-	-

[E]

COMPARATIVE STATEMENT of the Business of the Michigan Central Railroad for the Years ending May 31, 1874 and 1875.

PASSENGERS.												PASSENGER TOTALS.	
EASTWARD.						WESTWARD.							
LOCAL.			THROUGH.			LOCAL.			THROUGH.			EMIGRANTS.	
No.	Amount.		No.	Amount.		No.	Amount.		No.	Amount.		No.	Amount.
1874, . . .	362,385	\$418,970 63	69,390	\$475,204 75		361,833½	\$415,578 40		65,122½	\$450,872 30		18,714½	\$42,621 68
1875, . . .	335,836	400,482 21	75,180	505,421 06		333,065	389,638 73		64,204½	444,934 02		23,203½	53,251 64
Increase, . .	-	-	5,790	30,216 31		-	-		-	-		4,489	10,630 06
Decrease, . .	26,549	18,488 42	-	-		28,768½	25,939 67		918	5,938 28		-	-
												45,956½	9,520 00

COMPARATIVE STATEMENT—Continued.

FREIGHT.										TOTAL FREIGHT EARNINGS.		MISCELLANEOUS EARNINGS.		TOTAL EARNINGS.	
EASTWARD.					WESTWARD.										
LOCAL.		THROUGH.			LOCAL.		THROUGH.								
No.	Amount.	No.	Amount.		No.	Amount.	No.	Amount.							
1874, . . .	702,483 14	\$2,408,596 32	1,830,324 89	\$454,797 21	520,908 45	584,645 55	129,848 34	394,518 11	\$4,086,785 12	\$306,683 29	\$6,196,716 07				
1875, . . .	737,237 32	1,830,324 89	540,059 25	584,645 55	540,059 25	584,645 55	129,848 34	3,692,267 01	3,692,267 01	295,943 10	5,781,937 77				
Increase, . .	34,754 18	-	-	129,848 34	19,150 80	-	-	-	-	-	-				
Decrease, . .	-	578,271 43	-	-	-	-	-	-	-	10,740 19	414,778 30				

[F]

MOVEMENT OF FREIGHT, Through and Local, and Earnings on same, for the Year ending May 31, 1875.

	Tons carried.	Tons carried one mile.	Earnings.	Earnings per Mile.	Earnings per Ton per Mile.
Through East,	752,650	206,088,330	\$1,830,324 89	\$6,684 41	$\frac{89}{100}$ cts.
Through West,	205,395	57,466,488	584,645 55	2,089 66	$\frac{12}{100}$ "
Total Through,	958,045	263,554,818	2,414,970 44	8,778 52	$\frac{92}{100}$ "
Local East,	382,084	31,937,524	\$737,237 32	\$8,819 68	$\frac{230}{100}$ "
Local West,	301,151	22,873,661	540,059 25	7,110 72	$\frac{286}{100}$ "
Total Local,	683,235	54,811,185	1,277,296 57	15,922 42	$\frac{218}{100}$ "
Grand Total,	1,641,280	318,366,003	\$3,692,267 01	\$19,035 25	$\frac{116}{100}$ "

[G]
MONTHLY STATEMENT of Freight moved during the Year ending May 31, 1875.

ARTICLES.	June.	July.	August.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March.	April.	May.	Totals.
Apples, bbls.,	-	253	6,357	26,418	100,554	64,990	2,075	13	335	2,695	1,803	444	265,937
Ale and Beer, bbls.,	574½	808	874½	811½	580½	596½	538½	422	304½	1,031½	723½	512½	7,778½
Ashes, tons,	142	76	101	229	245	85	86	25	70	84	104	49	1,296
Barley and Rye, bush.,	1,550	7,425	15,251	29,327	45,023	44,772	9,994	12,554	6,748	15,671	22,236	51,419	261,900
Beans, bush.,	2,154	157	32	731	5,499	15,917	14,073	14,619	20,547	19,527	6,593	1,848	101,997
Bran and Shorts, tons,	3,192	1,980	4,021	5,481	5,843	3,980	3,071	2,826	2,475	3,667	4,024	2,941	43,501
Butter, tons,	638	848	482	520	414	332	105	169	171	182	233	109	4,263
Cooper Stock, tons,	2,389	2,169	2,669	2,576	2,307	2,497	2,347	1,603	1,316	1,425	2,147	1,490	24,935
Corn, bush.,	362,593	136,827	118,251	161,993	145,195	276,607	763,978	893,383	608,617	493,494	699,782	211,434	4,932,094
Corn Meal, bbls.,	1,481	1,047	124	310	767	1,653	851	737	725	165	536	512	8,908
Coal, tons,	801	1,749	2,630	3,623	3,111	3,405	2,146	2,503	2,080	2,527	1,214	1,161	26,950
Dried Fruit, tons,	15	2	11	28	82	211	160	197	182	247	122	67	1,324
Flour, bbls.,	72,923	54,525	128,026	194,488	195,935	163,415	149,926	114,222	106,421	177,784	181,253	124,914	1,663,232
Grass Seed, tons,	116	36	347	632	152	191	161	231	518	817	552	199	3,952
High Wines, bbls.,	281	1,016	601	1,038	786	759	805	870	909	1,521	1,117	558	10,281
Hides, tons,	396	520	483	823	1,157	1,502	1,888	1,247	1,099	948	765	653	11,481
Iron and Nails, tons,	288	229	364	325	410	467	228	171	308	355	469	410	4,034
Lumber, feet,	6,883,467	5,223,190	5,854,297	6,265,654	7,189,373	7,163,504	4,958,705	4,723,608	4,127,100	8,421,463	10,513,686	7,984,743	79,311,790
Oats, bush.,	888,821	379,925	632,438	440,337	319,660	274,347	158,612	253,441	843,284	361,340	442,611	683,146	5,077,962

Plaster, tons,	656	160	190	234	492	206	90	90	301	1,437	3,156	456	7,568
Pig Iron, tons,	1,106	945	1,966	2,073	1,893	1,766	1,300	931	487	1,064	600	564	14,695
Provisions, tons,	2,092	980	920	1,177	2,251	5,804	7,728	10,857	11,361	5,629	3,383	2,351	54,493
Pork in Hog, tons,	-	-	-	-	-	617	4,163	6,406	3,222	1,142	-	-	15,640
Potatoes, bush.,	22,079	3,820	11,180	44,306	58,846	34,738	4,995	511	999	5,174	13,676	22,536	222,860
Salt, bbls.,	6,811	4,009	7,156	4,724	5,086	8,583	7,199	9,085	9,216	13,193	9,786	4,808	89,716
Shingles, M.,	6,774½	3,831½	4,295	5,015	7,053½	5,793	3,194½	2,849½	1,374	5,538	9,323½	8,838½	64,381½
Wool, tons,	5,197	3,984	1,586	1,211	956	1,512	933	788	839	987	639	3,068	21,699
Wheat, bush.,	487,987	190,386	614,340	683,526	779,520	514,542	380,625	318,840	441,991	708,354	491,909	229,870	5,851,790
Whiskey, bbls.,	444	537	301	992	581	1,038	770	567	863	846	1,020	483	8,532
Cattle, No.,	12,468	12,372	17,186	20,099	18,432	14,064	6,885	12,412	7,818	15,615	22,251	28,348	188,050
Horses, No.,	599	559	284	980	327	237	188	200	348	4,195	722	404	9,043
Hogs, No.,	92,208	70,681	66,067	78,917	96,923	121,516	59,722	54,993	42,292	40,596	59,551	56,797	840,263
Sheep, No.,	3,773	5,444	16,637	28,044	32,927	30,485	27,158	35,457	25,394	25,404	18,768	8,944	258,465
Wood, cords,	598	889	223½	156	410	130	153	124½	348	394	222	171	3,766½
Unenumerated articles, tons,	31,200	21,457	30,711	36,556	40,288	38,441	33,312	24,887	26,856	46,120	51,521	45,356	436,705
Total in tons,	126,456	92,572	121,436	144,749	192,897	148,845	131,827	128,393	120,146	161,031	170,392	132,536	1,641,280

[H]

STATEMENT, showing the Total Amount of Freight moved in the following Years.

ARTICLES.	YEAR ENDING MAY 31.					
	1870.	1871.	1872.	1873.	1874.	1875.
Apples, bbls.,	138,153	252,301	396,178	159,457	260,224	265,937
Ale and Beer, bbls.,	7,792½	7,546	6,866	7,314½	6,974	7,778½
Ashes, tons,	734	552	613	1,168	1,025	1,296
Barley and Rye, bush.,	372,682	256,866	488,959	808,585	726,372	261,900
Beans, bush.,	41,492	22,593	28,319	28,746	75,244	101,697
Bran and Shorts, tons,	15,436	20,567	25,802	21,109	29,269	43,501
Butter, tons,	1,182	2,191	2,123	2,242	3,385	4,263
Corn, bush.,	2,179,895	4,883,954	5,660,090	5,418,618	5,869,388	4,932,094
Corn Meal, bbls.,	7,788	26,129	27,380	51,598	40,756	8,908
Coal, tons,	15,598	18,718	15,552	18,848	22,607	26,950
Dried Fruit, tons,	1,521	1,713	857	1,063	1,104	1,324
Flour, bbls.,	959,038	1,083,331	1,003,038	1,049,841	1,209,107	1,633,232

Grass Seed, tons,	.	.	.	.	.	1,166	1,478	2,449	2,258	4,175	3,952
High Wines, bbls.,	.	.	.	.	.	9,684	26,801	13,734	10,945	13,805	10,281
Hides, tons,	.	.	.	.	.	5,491	6,419	5,138	4,158	4,800	11,481
Iron and Nails, tons,	.	.	.	.	.	4,672	5,616	3,693	3,647	3,363	4,034
Lumber, feet,	.	.	.	.	.	52,447,881	69,843,154	91,263,147	106,678,578	95,031,163	79,311,790
Oats, bush.,	.	.	.	.	.	1,406,484	1,499,904	4,740,291	6,792,309	8,788,310	5,077,962
Plaster, tons,	.	.	.	.	.	8,880	9,700	9,789	9,891	11,827	7,558
Pig Iron, tons,	.	.	.	.	.	16,394	12,534	13,530	15,271	14,823	14,695
Provisions, tons,	.	.	.	.	.	20,081	23,378	19,557	31,978	39,788	54,493
Pork in Hog, tons,	.	.	.	.	.	12,289	15,938	13,135	17,493	15,443	15,640
Potatoes, bush.,	.	.	.	.	.	255,993	500,748	85,062	230,966	217,884	222,860
Salt, bbls.,	.	.	.	.	.	36,503	50,609	61,217	76,307	89,016	89,716
Shingles, M,	.	.	.	.	.	41,215½	56,388½	38,821	39,299½	66,936½	64,381½
Wool, tons,	.	.	.	.	.	5,167	5,811	5,435	6,054	6,262	21,699
Wheat, bush.,	.	.	.	.	.	1,849,313	2,347,825	2,614,717	4,102,718	7,741,334	5,851,790
Whiskey, bbls.,	.	.	.	.	.	15,981	23,254	7,006	9,674	6,729	8,532

Statement of Freight moved — Continued.

ARTICLES.	YEAR ENDING MAY 31.					
	1870.	1871.	1872.	1873.	1874.	1875.
Cattle, number,	93,295	132,057	98,847	90,036	147,774	188,050
Horses, number,	2,061	2,628	3,320	4,390	6,220	9,043
Hogs, number,	186,479	256,747	639,958	870,522	843,824	840,263
Sheep, number,	130,748	163,779	129,271	139,107	189,494	258,465
Wood, cords,	3,230	1,847	5,180 $\frac{1}{4}$	7,057 $\frac{1}{4}$	5,922 $\frac{1}{4}$	3,766 $\frac{1}{4}$
Unenumerated articles, tons,	263,413	347,023	352,089	388,415	354,906	461,640
Totals, in tons,	823,770	1,105,875	1,238,313	1,416,792	1,593,954	1,641,280

[I]

Movement of Passengers, Through and Local, and Earnings on same, for the Year ending May 31, 1875.

	Passengers carried.	Passengers carried One Mile.	Earnings.	Earnings per Mile.	Earnings per Passenger per Mile.
Through East,	75,180	21,347,830	\$505,421 06	\$1,779 61	2 ³⁶ / ₁₀₀ cts.
Through West,	87,408	24,820,499	498,185 66	1,754 17	2 "
Total Through,	162,588	46,168,329	1,003,606 72	3,533 82	2 ¹⁷ / ₁₀₀ "
Local East,	335,836	13,512,038	\$400,482 21	\$10,012 05	2 ⁹⁶ / ₁₀₀ "
Local West,	333,065	13,145,679	389,638 73	9,740 96	2 ⁹⁶ / ₁₀₀ "
Total Local,	668,901	26,657,717	790,120 94	19,753 02	2 ⁹⁶ / ₁₀₀ "
Grand Total,	831,489	72,826,047	\$1,793,727 66	\$20,383 26	2 ⁴⁰ / ₁₀₀ "

[J]

STATEMENT of the Number of Way Passengers, and the Earnings
from the same, for the Years ending May 31, 1874 and 1875.

MONTHS.	NUMBER OF PASSENGERS.		WAY PASSENGER EARNINGS.	
	1874.	1875.	1874.	1875.
1874.				
June,	57,217	55,360½	\$70,738 61	\$64,874 82
July,	68,748	64,103½	77,905 18	70,426 77
August,	64,912	65,673	75,964 46	74,710 73
September,	70,187	65,242½	85,861 53	84,509 01
October,	67,482	66,063½	84,235 27	81,961 42
November,	56,346½	57,888	65,059 53	68,096 36
December,	60,452½	58,232½	68,624 35	67,355 59
1875.				
January,	56,818½	49,079½	60,291 87	55,290 96
February,	49,095	39,093½	53,063 73	46,247 98
March,	62,501	48,688	67,484 08	58,807 67
April,	57,638½	50,495½	64,361 91	59,907 74
May,	52,820½	48,981	60,958 51	57,931 89
Total,	724,218½	668,901	\$834,549 03	\$790,120 94

[K]

STATEMENT of the Whole Number of Passengers, and the Earnings from the same, for the Years ending May 31, 1874 and 1875.

MONTHS.	WHOLE NUMBER OF PASSENGERS.		PASSENGER EARNINGS.	
	1874.	1875.	1874.	1875.
1874.				
June,	71,421	70,995½	\$155,187 48	\$156,074 13
July,	83,481	80,790½	171,824 28	169,106 63
August,	79,410	82,231	169,192 06	179,073 72
September,	86,866½	84,555	196,084 19	208,919 30
October,	83,886½	82,076½	190,046 94	187,682 06
November,	68,454½	70,643	142,432 37	150,892 68
December,	72,758	69,143½	149,904 18	137,983 17
1875.				
January,	63,240½	56,863	103,230 80	107,914 33
February,	55,833½	46,329	98,748 11	92,918 98
March,	72,262½	59,039½	131,953 59	124,702 93
April,	70,819	64,473	143,810 64	136,785 34
May,	69,012½	64,349½	150,833 12	141,674 39
Total,	877,445½	831,489	\$1,803,247 76	\$1,793,727 66

[L]

STATEMENT, showing the Number of Passengers carried on the Michigan Central Railroad since its ownership and organization by the present Company, and the earnings from the same.

YEARS ENDING MAY 31.	No. of Passengers.	Passenger Earnings.
1847,	41,223	\$74,163 08
1848,	73,656	138,649 53
1849,	96,070	197,767 56
1850,	152,672	368,436 70
1851,	191,852	490,119 68
1852,	221,200	581,477 24
1853,	247,552	589,489 32
1854,	357,936	855,917 94
1855,	503,774	1,246,409 90
1856,	550,780	1,497,854 61
1857,	593,630	1,610,415 75
1858,	461,957	1,321,039 56
1859,	361,527	938,609 39
1860,	324,422	803,507 97
1861,	327,775	775,228 53
1862,	308,829	724,915 48
1863,	447,362	880,682 28
1864,	645,759	1,262,415 07
1865,	852,889	1,771,813 60
1866,	902,826	2,061,335 05
1867,	823,474	1,824,225 75
1868,	786,405	1,721,506 97
1869,	846,452	1,795,806 11
1870,	865,582	1,914,921 75
1871,	814,493	1,738,181 38
1872,	774,349	1,687,256 49
1873,	852,352	1,785,716 33
1874,	877,446	1,803,247 76
1875,	831,489	1,793,727 66
Totals,	15,135,733	\$34,263,838 44

[M]

COMPARATIVE STATEMENT, showing the Number of Passengers forwarded from each Station during the Years ending May 31, 1874 and 1875.

STATIONS.	1875.	1874.	Increase.	Decrease.
Detroit,	167,029	165,906½	1,122½	—
Dearborn,	6,838	7,816	—	978
Inksters,	2,494	2,805½	—	311½
County House,	1,392	1,600½	—	208½
Wayne,	27,444	24,615½	2,828½	—
Secords,	1,227½	1,382	—	154½
Dentons,	2,579½	2,797½	—	218
Ypsilanti,	37,378½	40,701	—	3,322½
Geddes,	1,332½	1,637	—	304½
Ann Arbor,	39,780½	44,723	—	4,942½
Fosters,	1,561½	2,417	—	855½
Farmers,	63½	129	—	65½
Delhi,	1,786½	2,341	—	554½
Scio,	2,046	1,913	133	—
Dexter,	10,871½	11,652	—	780½
Chelsea,	8,264	9,315½	—	1,051½
Francisco,	2,035	2,371½	—	336½
Grass Lake,	7,988½	8,465	—	476½
Leoni,	2,090½	2,431½	—	341
Michigan Centre,	1,942½	1,518	424½	—
Jackson,	52,953	57,500½	—	4,547½
Woodville,	477½	857	—	379½
Sandstone,	982	1,493½	—	511½
Parma,	5,937½	6,431	—	493½
North Concord,	850	997	—	147
Bath Mills,	536	629	—	93
Albion,	17,320½	17,706½	—	386
Marengo,	2,187½	2,537	—	349½
Marshall,	22,844	24,842½	—	1,998½
Ceresco,	2,507	2,550	—	43
Whites,	1,236	1,473½	—	237½
Battle Creek,	30,055	32,014	—	1,959
Bedford,	647½	492½	155	—
Augusta,	6,581	7,396	—	815
Galesburg,	10,132½	10,052½	80	—
Comstock,	2,077	2,828	—	751
Kalamazoo,	51,196½	55,469½	—	4,273
Ostemo,	1,888	2,040½	—	152½
Mattawan,	3,439½	4,187	—	747½
Lawton,	11,493	12,903	—	1,410

Comparative Statement—Continued.

STATIONS.	1875.	1874.	Increase.	Decrease.
White Oak,	206½	193½	13	—
Decatur,	10,707	11,910	—	1,203
Glenwood,	2,721	2,843½	—	122½
Dowagiac,	13,236½	14,750	—	1,513½
Pokagon,	4,041½	5,139	—	1,097½
Niles,	25,680½	29,638	—	3,957½
Buchanan,	13,948½	15,099½	—	1,151
Dayton,	3,257	3,661½	—	404½
Galien,	4,665½	5,505	—	839½
Averys,	1,478	2,085½	—	607½
Three Oaks,	5,525½	6,451½	—	926
New Buffalo,	21,805½	25,456	—	3,650½
Corymbo,	625	1,095	—	470
Michigan City,	14,954	17,861	—	2,907
Furnessville,	745½	1,289	—	543½
Porter,	2,238	3,262	—	1,024
Lake,	2,899½	3,539	—	639½
Tolleston,	2,145	1,910½	234½	—
Gibsons,	1,955	1,571	384	—
Kensington,	1,119½	1,462	—	342½
Chicago,	122,581½	117,273	5,308½	—
Joliet & No. Indiana R. R., .	912½	766½	146	—
Grand River Valley R. R., .	7,873½	7,747	126½	—
Kalamazoo & So. Haven R. R.,	1,231	1,285½	—	54½
Air Line Railroad,	4,085	4,259	—	174
South Bend Railroad,	2,725½	2,732	—	6½
Jackson, Lan. & Sag. R. R., .	6,639½	7,721½	—	1,082
Totals,	831,489	877,445½	—	45,956½

[N]

COMPARATIVE STATEMENT, showing the Number of Tons of Freight forwarded from each Station during the Years ending May 31, 1874 and 1875.

STATIONS.	1875.	1874.	Increase.	Decrease.
Detroit,	216,833	161,481	55,352	—
Grand Trunk Junction,	51,985	35,202	16,783	—
Dearborn,	732	1,337	—	605
Inksters,	50	216	—	166
Wayne,	14,003	8,970	5,033	—
Secords,	93	99	—	6
Dentons,	757	876	—	119
Ypsilanti,	24,859	20,787	4,072	—
Geddes,	218	113	105	—
Ann Arbor,	5,769	5,266	503	—
Fosters,	315	286	29	—
Farmers,	517	464	53	—
Delhi,	4,134	3,967	167	—
Scio,	1,674	63	1,611	—
Dexter,	6,947	6,524	423	—
Chelsea,	6,354	5,222	1,132	—
Francisco,	448	107	341	—
Grass Lake,	6,058	3,893	2,165	—
Leoni,	219	155	64	—
Michigan Centre,	195	73	122	—
Jackson,	58,118	70,623	—	12,505
Woodville,	—	—	—	—
Parma,	3,569	2,817	752	—
North Concord,	271	162	109	—
Bath Mills,	143	244	—	101
Newburg,	377	233	144	—
Albion,	5,727	4,834	893	—
Marengo,	1,393	1,310	83	—
Marshall,	8,322	7,918	404	—
Ceresco,	696	96	600	—
Whites,	1,714	1,596	118	—
Battle Creek,	19,375	13,605	5,770	—
Augusta,	6,380	4,777	1,603	—
Galesburg,	2,650	1,645	1,005	—
Comstock,	216	151	65	—
Kalamazoo,	20,236	16,922	3,314	—
Ostemo,	163	125	38	—
Mattawan,	946	768	178	—
Lawton,	7,435	6,377	1,058	—
White Oak,	65	—	65	—

Comparative Statement—Continued.

STATIONS.	1875.	1874.	Increase.	Decrease.
Decatur,	9,767	6,860	2,907	—
Glenwood,	1,845	288	1,557	—
Dowagiac,	7,929	6,255	1,674	—
Pokagon,	960	715	245	—
Niles,	13,049	11,080	1,969	—
Buchanan,	4,225	3,863	362	—
Dayton,	1,149	786	363	—
Wilsons,	202	231	—	29
Galien,	2,036	2,635	—	599
Averys,	564	1,015	—	451
Three Oaks,	2,914	2,587	327	—
New Buffalo,	86,095	90,654	—	4,559
Corymbo,	764	1,777	—	1,013
Michigan City,	48,267	37,597	10,670	—
Furnessville,	4,196	6,185	—	1,989
Porter,	6,981	5,761	1,220	—
Lake,	4,633	12,318	—	7,685
Tolleston,	72	72	—	—
Gibsons,	1,725	112	1,613	—
State Line,	2,472	1,970	502	—
Kensington,	231	181	50	—
Chicago,	598,488	648,930	—	50,442
Joliet & N. Indiana Railroad, .	212,187	227,094	—	14,907
Grand River Valley Railroad, .	39,858	38,062	1,796	—
Kalamazoo & S. Haven R. R.,	14,566	13,827	739	—
Air Line Railroad,	31,793	19,217	12,576	—
South Bend Railroad,	4,359	5,389	—	1,030
Jackson, Lansing & Saginaw Railroad,	59,997	59,189	808	—
Totals,	1,641,280	1,593,954	47,326	—

COMPARATIVE STATEMENT of the Business of the Michigan Central Railroad for the last ten years.

Y E A R S.	No. of Way Passengers.	No. of Through Passengers.	Total No. of Passengers.	No. of Tons of Freight moved	Gross Earnings.	Operating Disburse- ments, including Taxes.	Net Earnings.	Expenses less taxes, per ct of Gross Earnings.	Net Earnings, per cent. of Gross Earn- ings.
1866, . . .	766,755½	136,070½	902,826	533,451	\$1,446,490 51	\$2,808,375 92	\$1,638,114 59	61	36½
1867, . . .	637,273½	136,200½	823,474	578,177	4,325,490 51	2,826,777 21	1,498,713 30	63	34½
1868, . . .	659,449	126,956	786,405	638,586	4,470,879 64	2,714,545 64	1,756,334 00	58½	39½
1869, . . .	698,010½	148,442	846,452½	802,835	4,716,292 80	2,886,943 39	1,829,349 50	59	38½
1870, . . .	703,501½	162,081	865,582½	823,770	4,707,287 97	3,013,914 95	1,693,373 02	61½	36
1871, . . .	675,213½	139,280	814,493½	1,105,875	4,978,070 15	3,538,204 45	1,439,865 70	69½	28½
1872, . . .	633,669½	140,679½	774,349	1,238,313	5,313,074 03	3,719,348 67	1,593,725 36	68½	30
1873, . . .	704,107	148,245½	852,352½	1,416,792	5,876,312 07	3,376,243 26	2,000,068 81	63½	34
1874, . . .	724,218½	153,227	877,445½	1,593,954	6,196,716 17	4,219,955 14	1,976,761 03	65½	31½
1875, . . .	668,901	162,588	831,489	1,641,280	5,781,937 77	3,862,813 58	1,919,124 19	63½	33½

